

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNIVERSAL CITY STUDIOS, INC.,

Plaintiff,

-against-

NINTENDO CO., LTD. and
NINTENDO OF AMERICA, INC.,

Defendants.

82 Civ. 4259 (RWS)

AFFIDAVIT OF
SHELLEY B. O'NEILL

[illegible]

Shelley B. O'Neill, being duly sworn, deposes and says:

1. I am an associate at the law firm of Mudge Rose Guthrie Alexander & Ferdon, attorneys for defendants Nintendo Co., Ltd. and Nintendo of America, Inc. I make this affidavit in support of defendants' motion pursuant to Rule 56 of the Federal Rules of Civil Procedure for summary judgment dismissing the complaint of Universal City Studios, Inc. (hereinafter "Universal") in this action.

2. Universal claims that its rights in the tradename, trademark, service mark and story of King Kong derive from certain documents arising from litigation commencing in 1975 between Universal and RKO General, Inc. (hereinafter "RKO"), Dino De Laurentiis Corporation (hereinafter "DDL"), Dino De Laurentiis, (hereinafter "DDL") and Richard Cooper (hereinafter "Cooper") in Universal City Studios Inc. v. RKO General Inc. et al., Civ. 75-3526-R (C.D. Cal. 1975) (hereinafter federal court action) and Universal

City Studios Inc. v. RKO General Inc., et al., C. 125-242 (Sup. Ct. Cal. 1975) (hereinafter state court action). Pleadings, transcripts and court opinions relating to these two actions, as described herein in Paragraphs 3 through 16, were either produced by Universal in this litigation in response to defendant's requests for production of documents or were obtained from the court files in the District Court for the Central District of California, the Ninth Circuit Court of Appeals or the Superior Court of California.

3. A summary of these litigations is contained in Appellant RKO General Inc.'s Opening Brief submitted to the Ninth Circuit Court of Appeals, appealing from a final judgment of the United States District Court for the Central District of California, a copy of which is attached hereto as Exhibit 1, and Appellee Universal City Studios, Inc.'s Responding Brief, a copy of which is attached hereto as Exhibit 2.

4. The action in the Superior Court of the State of California was instituted by Universal on or about May 29, 1975, against RKO, DDLC and DDL for breach of contract and tortious interference with contractual relations. Universal claimed that contrary to its oral agreement with RKO for a valid exclusive license to the remake rights of the original 1933 King Kong motion picture, RKO had entered into a license agreement with DDLC for the remake of the motion picture. A copy of Universal's Complaint for Damages, Declaratory Relief, Injunctive Relief, Constructive Trust and Accounting is attached hereto as Exhibit 3.

5. Universal also commenced a declaratory judgment action in the United States District Court, Central District of California on or about October 17, 1975, against RKO, DDLC, and Cooper seeking a declaration, inter alia, that Universal had the right to make a new King Kong movie based on the King Kong story which had lapsed into the public domain because the copyright had expired on a publication of the story in a novel and magazine serialization which predated the publication of RKO's 1933 movie. A copy of Universal's Complaint for Declaratory Judgment of Invalidity and Non-Infringement of Copyright is attached hereto as Exhibit 4.

6. On or about November 19, 1975, RKO filed an answer to Universal's complaint in the federal court action contending that its copyrighted 1933 King Kong motion picture was the original publication of the King Kong story and that its copyright on the entire story was therefore not affected by the other uncopyrighted publications which Universal contended had entered the public domain. A copy of the Answer of Defendant RKO General Inc. is attached hereto as Exhibit 5. In addition to its answer, RKO, on or about November 19, 1975, filed a counterclaim alleging that Universal's unauthorized production of a new King Kong movie infringed RKO's copyrights in King Kong and constituted unfair competition by, inter alia, diluting RKO's rights in the title and character of King Kong. A copy of the Counterclaim of Defendant RKO General, Inc. is attached hereto as Exhibit 6. Universal denied RKO's counterclaims in its Answer to the Counterclaims of RKO, attached hereto as Exhibit 7.

7. On or about December 4, 1975, DDLC filed its Answer of Defendant Dino De Laurentiis Corporation to Complaint and Counterclaim of Defendant Dino De Laurentiis Corporation, copies of which are attached hereto as Exhibit 8. On or about December 19, 1975, DDLC filed an amended counterclaim contending that the name, character and story of King Kong had acquired secondary meaning and that Universal's production of a King Kong remake constituted wrongful misappropriation and passing off. A copy of the Amended Counterclaim of Defendant Dino De Laurentiis Corporation is attached hereto as Exhibit 9. Universal on or about January 12, 1976, replied to the amended counterclaim by denying that the name, character and story of King Kong had any secondary meaning or that its production of the remake constituted copyright infringement since the story was in the public domain. A copy of the Reply of Plaintiff and Counterdefendant Universal City Studios Inc. to Amended Counterclaim of Defendant Dino De Laurentiis Corporation is attached hereto as Exhibit 10. Subsequently, Universal and DDLC entered into a settlement agreement and the Court dismissed DDLC's counterclaims with prejudice. The Stipulation For Dismissal of Counterclaim of Defendant Dino De Laurentiis Corporation and Order Thereon, entered on March 17, 1976, is attached hereto as Exhibit 11.

8. Defendant Richard Cooper, in addition to denying the allegations in Universal's complaint, filed on or about May 10, 1976 a Cross-Complaint against RKO claiming, inter alia, that the King Kong story had not fallen into the public domain, that Cooper was successor to the exclusive rights in King Kong that had been owned by his father as creator of King Kong, and that all commercial exploitation of the name, character and story of King Kong, other than the 1933 movie, undertaken by RKO since 1933 was for Cooper's account. A copy of the Cross-Complaint of Defendant and Cross-Complainant Richard Cooper is attached hereto as Exhibit 12.

9. After extensive discovery in the federal court action, the court conducted a trial between September 1 and September 10, 1976. During the trial, Universal and RKO actively litigated the issue of secondary meaning of King Kong. Excerpts from the record of such proceedings are attached hereto as Exhibit 13.

10. The district court ruled in favor of Universal, entering Judgment (hereinafter "Declaratory Judgment") on December 21, 1976, a copy which is attached hereto as Exhibit 14. In connection with the entry of the judgment, the court entered Findings of Fact and Conclusions of Law, a copy of which is attached hereto as Exhibit 15.

11. The district court also found for Richard Cooper on his cross complaint and on December 21, 1976, entered an Interlocutory Judgment on the Cross-Complaint of Richard Cooper (hereinafter "Cooper Interlocutory Judgment"), a copy of which is attached hereto as Exhibit 16. In connection with the judgment, Cooper submitted proposed findings of fact and conclusions of law, to which Universal objected. A copy of Universal's Objections to Findings of Fact and Conclusions of Law and Interlocutory Judgment on Cross Complaint of Richard Cooper is attached hereto as Exhibit 17. The court on March 21, 1976, entered its Final Judgment on the Cross Complaint of Richard Cooper (hereinafter "Cooper Final Judgment") and Findings of Fact and Conclusions of Law on Cross Complaint of Richard Cooper, a copy of which is attached hereto as Exhibit 18.

12. After the district court handed down the Cooper Interlocutory Judgment and the Declaratory Judgment, Cooper entered into a settlement agreement with Universal, dated December 15, 1976, a copy of which is attached hereto as Exhibit 19.

13. RKO appealed to the Ninth Circuit Court of Appeals from the Declaratory Judgment, but prior to any decision, entered into a settlement agreement with Universal dated June 4, 1980. A copy of the RKO Agreement is attached hereto as Exhibit 20.

14. On or about October 8, 1980, the Ninth Circuit dismissed RKO's appeal, vacated the Cooper Final Judgment and the Universal Declaratory Judgment and remanded to the district court. A copy of the Order is attached hereto as Exhibit 21.

15. The district court in a November 20, 1980 order on stipulation dismissed Universal's declaratory judgment complaint without prejudice and dismissed RKO's counterclaims with prejudice. A copy of the Order on Stipulation is attached hereto as Exhibit 22. In a January 5, 1981 order the District Court then reinstated the Cooper Final Judgment. A copy of the Order and Final Judgment for Damages on Cross-Complaint of Richard Cooper are attached hereto as Exhibit 23.

16. By agreement dated June 15, 1982, RKO assigned its causes of action for violation of trademark laws and unfair competition against Nintendo Co. Ltd. and Nintendo of America Inc. to Universal. A copy of this assignment is attached hereto as Exhibit 24.

Shelley B. O'Neill
Shelley B. O'Neill

Sworn to before me this 3rd
day of May 1983

Dorothy P. Dyring
Notary Public

DOROTHY P. DYRING
NOTARY PUBLIC, STATE OF NEW YORK
No. 24-4602843
Qualified in King County
Certificate filed in New York County
Commission Expires March 30, 1985